

PRESS ROOM



FROM THE OFFICE OF PUBLIC AFFAIRS

September 9, 2004
JS-1895

**U.S.-Based Branch of Al Haramain Foundation Linked to Terror
Treasury Designates U.S. Branch, Director**

The Treasury Department announced today the designation of the U.S. branch of the Saudi Arabia-based Al Haramain Islamic Foundation (AHF), along with one of its directors, Suliman Al-Buthe. In addition, the AHF branch located in the Union of the Comoros was also designated today.

"We continue to use all relevant powers of the U.S. government to pursue and identify the channels of terrorist financing, such as corrupted charities, at home and abroad. Al Haramain has been used around the world to underwrite terror, therefore we have taken this action to excommunicate these two branches and Suliman Al-Buthe from the worldwide financial community," said Stuart Levey, Treasury's Under Secretary for Terrorism and Financial Intelligence.

The assets of the U.S. AHF branch, which is headquartered in Oregon, were blocked pending investigation on February 19, 2004. On the previous day, a federal search warrant was executed against all property purchased on behalf of the U.S. AHF branch. The investigation involved agents from the Internal Revenue Service – Criminal Investigations (IRS-CI), the Federal Bureau of Investigation (FBI) and the Department of Homeland Security's Immigration and Customs Enforcement (ICE).

The U.S.-based branch of AHF was formally established in 1997. Documents naming Al-Buthe as the organization's attorney and providing him with broad legal authority were signed by Aqeel Abdul Aziz Al-Aqil, the former director of AHF. Al-Aqil has been designated by the United States and the UN 1267 Sanctions Committee because of AHF's support for al Qaida while under his oversight.

The investigation shows direct links between the U.S. branch and Usama bin Laden. In addition, the affidavit alleges the U.S. branch of AHF criminally violated tax laws and engaged in other money laundering offenses. Information shows that individuals associated with the branch tried to conceal the movement of funds intended for Chechnya by omitting them from tax returns and mischaracterizing their use, which they claimed was for the purchase of a prayer house in Springfield, Missouri.

Other information available to the U.S. shows that funds that were donated to AHF with the intention of supporting Chechen refugees were diverted to support mujahideen, as well as Chechen leaders affiliated with the al Qaida network.

AHF has operations throughout the Union of the Comoros, and information shows that two associates of AHF Comoros are linked to al Qaida. According to the transcript from U.S. v. Bin Laden, the Union of the Comoros was used as a staging area and exfiltration route for the perpetrators of the 1998 bombings of the U.S. embassies in Kenya and Tanzania. The AHF branches in Kenya and Tanzania have been previously designated for providing financial and other operational support to these terrorist attacks.

Since March 2002, the United States and Saudi Arabia have jointly designated eleven branches of AHF based on evidence of financial, material and/or logistical support to the al Qaida network and affiliated organizations. These branches, Afghanistan, Albania, Bangladesh, Bosnia, Ethiopia, Indonesia, Kenya, the Netherlands, Pakistan, Somalia, and Tanzania, along with the former director of AHF, Aqeel Abdul Aziz Al-Aqil, are named on the UN's 1267 Committee's consolidated list of terrorists associated with al Qaida, Usama bin Laden and the Taliban and are subject to international sanctions.

The entities were designated today pursuant to Executive Order 13224 pursuant to paragraphs (d)(i) and (d)(ii) based on a determination that they assist in, sponsor or provide financial, material, or technological support for, or financial or other services to or in support of, or are otherwise associated with, persons listed as subject to E.O. 13224. These entities also meet the standard for inclusion in the UN 1267 Sanctions Committee's consolidated list because of the support provided to UBL, al Qaida or the Taliban.

Inclusion on the 1267 Committee's list triggers international obligations on all member countries, requiring them to freeze the assets of these offices. Publicly identifying these supporters of terrorism is a critical part of the international campaign to counter terrorism. Additionally, other organizations and individuals are put on notice that they are prohibited from doing business with them.

Blocking actions are critical to combating the financing of terrorism. When an action is put into place, any assets existing in the formal financial system at the time of the order are to be frozen. Blocking actions serve additional functions as well, acting as a deterrent for non-designated parties who might otherwise be willing to finance terrorist activity; exposing terrorist financing "money trails" that may generate leads to previously unknown terrorist cells and financiers, disrupting terrorist financing networks by encouraging designated terrorist supporters to disassociate themselves from terrorist activity and renounce their affiliation with terrorist groups; terminating terrorist cash flows by shutting down the pipelines used to move terrorist-related assets; forcing terrorists to use alternative, more costly and higher-risk means of financing their activities; and engendering international cooperation and compliance with obligations under UN Security Council Resolutions.

The United States has designated 387 individuals and entities as terrorists, their financiers or facilitators. In addition, the global community has frozen over \$142 million in terrorist-related assets.

Al Haramain Islamic Foundation – United States

1257 Siskiyou Blvd.
Ashland, Oregon 97520

3800 Highway 99 S
Ashland, Oregon 97520

2151 E. Division Street
Springfield, MO 65803

Al Haramain Islamic Foundation – Union of the Comoros

B/P: 1652 Moroni
Union of the Comoros

Suliman Al-Buthe
DOB: 12/08/1961
POB: Egypt
Nationality: Saudi Arabian
Passport No: B049614

For more information on the February 19, 2004 designation of the U.S.-based AHF branch, please visit: <http://www.treasury.gov/press/releases/js1183.htm>.

Note: In June of 2004, the Saudi government announced it was dissolving AHF and other Saudi charities and committees operating abroad and folding their assets into a newly created entity, the Saudi National Commission for Relief and Charity Work Abroad. According to the Saudi Embassy, the Commission, which will be a non-governmental body, will take over all aspects of private overseas aid operations and assume responsibility for the distribution of private charitable donations from Saudi Arabia.



FROM THE OFFICE OF PUBLIC AFFAIRS

June 2, 2004
JS-1703

**Additional Al-Haramain Branches, Former
Leader Designated by
Treasury as Al Qaida Supporters
Treasury Marks Latest Action in Joint Designation with
Saudi Arabia**

The United States and Saudi Arabian governments today announced yet further steps in the war against terrorist financing by jointly designating five additional branches of the Al-Haramain Islamic Foundation (AHF) for the financial, material and logistical support they provided to the al-Qaida network and other terrorist organizations. Today's action marks the latest in a series of joint efforts between the United States and Saudi Arabia in the financial war on terror.

"Terrorists and their tainted dollars have corrupted charity by using the philanthropic spirit and charitable institutions to further their warped motives," said Juan Zarate, Treasury's Deputy Assistant Secretary for the Executive Office for Terrorist Financing and Financial Crimes.

The U.S. and Saudi Arabia are jointly submitting the entities to the United Nations' 1267 Committee to be added to the consolidated list of terrorists tied to al Qaida, Usama bin Laden (UBL) and the Taliban.

The United States is also designating the former leader of Al-Haramain, Aqeel Abdulaziz Al-Aqil, and submitting his name to the UN 1267 Committee for inclusion on the consolidated international list.

"The act of charity is sacrosanct. We need to take every step possible to stop the flow of terrorist funding through charities while preserving the integrity of charitable giving around the world," said Zarate. "The United States is working with our international partners and the charitable community to safeguard this sector from terrorists who mock the very idea of charity by converting good will and humanitarian aid into hate-filled agendas supported by blood money."

Based upon the following information and additional classified material, Treasury is designating Al-Aqil and the branches of AHF located in Afghanistan, Albania, Bangladesh, Ethiopia and the Netherlands.

Afghanistan

In Afghanistan, prior to the removal of the Taliban from power, AHF supported the cause of Jihad and was linked to the UBL financed Maktab al-Khidemat (MK), a pre-cursor organization of al Qaida and a Specially Designated Global Terrorist pursuant to the authorities of E.O. 13224.

Following the September 11, 2001 terrorist attacks, activities supporting terrorism in Afghanistan continued. In 2002, activities included involvement with a group of persons trained to attack foreigners in Afghanistan. A journalist suspected of meeting with al Qaida and Taliban members in Afghanistan was reportedly transferring funds on behalf of the al Qaida-affiliated AHF and forwarding videotapes from al Qaida leaders to an Arabic language TV network for broadcast.

Albania

Irfan Tomini Street, #58
Tirana, Albania

The U.S. has information that indicates UBL may have financed the establishment of AHF in Albania, which has been used as cover for terrorist activity in Albania and in Europe. In late 2000, a close associate of a UBL operative moved to Albania and was running an unnamed AHF subsidiary. In 1998, the head of Egyptian Islamic Jihad in Albania was reportedly also a financial official for AHF in Albania. This individual, Ahmed Ibrahim al-Nagar, was reportedly extradited from Albania to Egypt in 1998. At his trial in Egypt, al-Nager reportedly voiced his support for UBL and al Qaida's August 1998 terrorist attacks against the U.S. embassies in Kenya and Tanzania.

Salih Tivari, a senior official of the moderate Albanian Muslim community, was murdered in January 2002. Ermir Gjinishi, who had been supported by AHF, was detained in connection with the murder, but no charges were filed; he was later released by Albanian authorities. Just prior to being murdered, Tivari informed the AHF-affiliated Gjinishi that he intended to reduce "foreign Islamic influence" in the Albanian Muslim community.

Prior to his murder, Tivari controlled finances, personnel decisions, and donations within the Albanian Muslim community. This provided him significant power, enabling him to survive several attempts by extremists trained overseas to replace him or usurp his power.

As of late 2002, AHF was reportedly withdrawing virtually all funding to the Albanian Muslim community. AHF in Albania was to send all proceeds from the sale of some property to the AHF headquarters in Saudi Arabia. As of late 2003, AHF was paying for, through a HAMAS member with close ties to AHF in Albania, security personnel to guard the AHF building in Albania, which had been shut down earlier in 2003.

Bangladesh

House 1, Road 1, S-6
Uttara, Dhaka
Bangladesh

Information available to the U.S. shows that a senior AHF official deployed a Bangladeshi national to conduct surveillance on U.S. consulates in India for potential terrorist attacks. The Bangladeshi national was arrested in early 1999 in India, reportedly carrying four pounds of explosives and five detonators. The terrorist suspect told police that he intended to attack U.S. diplomatic missions in India. The suspect reportedly confessed to training in al Qaida terrorist camps in Afghanistan, where he met personally with Usama bin Laden in 1994. The suspect first heard of plans for these attacks at the AHF office in Bangladesh.

Ethiopia

Woreda District 24 Kebele Section 13
Addis Ababa, Ethiopia

Information available to the U.S. shows that AHF in Ethiopia has provided support to Al-Ittihad Al-Islamiya (AIAI). In Ethiopia, AIAI has engaged in attacks against Ethiopian defense forces. AIAI has been designated both by the U.S. Government and by the UN 1267 Sanctions Committee.

Ethiopia is one of the countries where AHF's website states that they have operations, but there does not appear to be a formal branch office. As part of our efforts to designate this branch, we are asking that action be taken to ensure that individuals cannot use the name of AHF or act under its auspices within, or in connection with services provided in, Ethiopia.

The Netherlands

(a/k/a Stichting Al Haramain Humanitarian Aid)
Jan Hanzenstraat 114, 1053SV
Amsterdam, the Netherlands

Since 2001, Dutch officials have confirmed that the Al Haramain Humanitarian Aid Foundation located in Amsterdam is part of the larger AHF network and that Al-Aqil, also being designated today, is chairman of this foundation's board of directors. As noted elsewhere in this document, AHF was the founder and leader of AHF and was responsible for all of its activities, including its support of terrorism.

Aqeel Abdulaziz Al-Aqil's
DOB: April 29, 1949

These activities within the branches took place under the control of Aqeel Abdulaziz Al-Aqil, the founder and long-time leader of AHF and a suspected al Qaida supporter. Al-Aqil has been identified as AHF's Chairman, Director General and President in a variety of sources and reports. As AHF's founder and leader, Al-Aqil controlled AHF and was responsible for all AHF activities, including its support for terrorism. Having been under investigation in late 2003, by March 2004 Al-Aqil was reportedly no longer leading AHF activities; however, some reports indicate Al-Aqil may still be in a position to exercise control or influence over AHF.

When viewed as a single entity, AHF is one of the principal Islamic NGOs providing support for the al Qaida network and promoting militant Islamic doctrine worldwide. Under Al Aqil's leadership of AHF, numerous AHF field offices and representatives operating throughout Africa, Asia, Europe and North America appeared to be providing financial and material support to the al Qaida network. Terrorist organizations designated by the U.S. including Jemmah Islamiya, Al-Ittihad Al-Islamiya, Egyptian Islamic Jihad, HAMAS and Lashkar E-Taibah received funding from AHF and used AHF as a front for fundraising and operational activities.

Under Al-Aqil's leadership, AHF implemented its tasks through its offices and representatives, which span more than 50 countries around the world. AHF maintained nine general committees and several other "active committees" that included the "Continuous Charity Committee, African Committee, Asian Committee, Da'wah and Sponsorship Committee, Masjid Committee, Seasonal Projects Committee, Doctor's Committee, European Committee, Internet and the American Committee, the Domestic Committee, Zakaat Committee and the Worldwide Revenue Promotion Committee."

After the AHF branch in Bosnia was designated in 2002, it immediately began efforts to avoid these sanctions. Despite the joint efforts of the United States and Saudi Arabia to designate the al Qaida-affiliated AHF Bosnia branch office, and the subsequent raid of this office by Bosnian authorities on June 3, 2002, all AHF employees were ordered to avoid cooperating with Bosnian and other authorities under Al-Aqil's leadership. In 2003, AHF headquarters in Saudi Arabia provided instructions to AHF in Bosnia for the disposition of AHF assets. These instructions provided for actions contravening local and international counter terrorism laws and regulations. Al-Aqil stated that AHF's work in Bosnia would continue. After the Bosnian branch reconstituted itself under the name "Vazir," the U.S. and Saudi Arabia joined in designating the branch as an alias for the AHF-Bosnian branch.

These entities are subject to designation under Executive Order 13224 pursuant to paragraphs (d)(i) and (d)(ii) based on a determination that they assist in, sponsor or provide financial, material, or technological support for, or financial or other services to or in support of, or are otherwise associated with, persons listed as subject to E.O. 13224. These branches also meet the standard for inclusion in the United Nations' 1267 Sanctions Committee's consolidated list because of the support provided to UBL, al Qaida or the Taliban,

Inclusion on the 1267 Committee's list triggers international obligations on all member countries, requiring them to freeze the assets of these offices. Publicly identifying these supporters of terrorism is a critical part of the international campaign to counter terrorism. Additionally, other organizations and individuals are put on notice that they are prohibited from doing business with them.

Blocking actions are critical to combating the financing of terrorism. When an action is put into place, any assets existing in the formal financial system at the time of the order are to be frozen. Blocking actions serve additional functions as well, acting as a deterrent for non-designated parties who might otherwise be willing to finance terrorist activity; exposing terrorist financing "money trails" that may generate leads to previously unknown terrorist cells and financiers, disrupting terrorist financing networks by encouraging designated terrorist supporters to disassociate themselves from terrorist activity and renounce their affiliation with terrorist groups; terminating terrorist cash flows by shutting down the pipelines used to move terrorist-related assets; forcing terrorists to use alternative, more costly and higher-risk means of financing their activities; and engendering international cooperation and compliance with obligations under U.N. Security Council Resolutions.

On March 11, 2002, the United States and Saudi Arabia initiated joint public efforts against terrorist support networks by designating and blocking the funds of the Somalia and Bosnia-Herzegovina branches of AHF based on evidence these branches were diverting charitable funds to terrorism. In 2003, the Saudi government ordered AHF to close all of its overseas branches. AHF stated it closed several branches, but continued monitoring by the United States and Saudi Arabia indicated that some branches, and/or former officials associated with these branches, were either continuing to operate or maintaining other plans to avoid these measures, such as the Bosnia-Herzegovina branch attempting to reconstitute itself and continue operations under the name "Vazir." Similarly, the Indonesian branch of AHF also sought to operate under an alias.

To counter these and other efforts, on December 22, 2003, the United States and Saudi Arabia announced the designation of Vazir, as an a/k/a for the AHF branch in Bosnia-Herzegovina. On January 22, 2004, the U.S. and Saudi Arabia announced the designation of AHF branches in Indonesia, Kenya, Tanzania and Pakistan. The Saudi Arabian government made it clear to host countries that these branch offices should not be considered Saudi entities and should be treated appropriately under local law.

The United States works to preserve the sanctity of charitable giving and the value of humanitarian aid provided by charities of all faiths. In this context, we are working to identify those charities that are abusing the trust of their donors. In addition to today's designation, several other charities have been designated by the United States because of their support of terrorism, including:

- Maktab al-Khidamat/Al Kifah (formerly U.S.-based)
- Al Rashid Trust (Pakistan)
- WAFA Humanitarian Organization (Pakistan, Saudi Arabia, Kuwait and UAE)
- Rabita Trust (Pakistan)
- The Holy Land Foundation for Relief and Development (U.S.)
- Ummah Tamer E-Nau (Pakistan)
- Revival of Islamic Heritage Society (Kuwait, Afghanistan and Pakistan)
- Afghan Support Committee (Pakistan)
- Aid Organization of the Ulema (Pakistan)
- Global Relief Foundation (U.S.)
- Benevolence International Foundation (U.S.)
- Benevolence International Fund (Canada)
- Bosanska Idealna Futura (Bosnia)
- Lajnat al Daawa al Islamiyya (Kuwait)
- Stichting Benevolence International Nederland (Netherlands)
- Al Aqsa Foundation (U.S., Europe, Pakistan, Yemen, South Africa)
- Comité de Bienfaisance et de Secours aux Palestiniens (France)
- Association de Secours Palestinien (Switzerland)
- Interpal (UK)
- Palestinian Association in Austria (Austria)
- Sanibil Association for Relief and Development (Lebanon)
- Al Akhtar Trust (Pakistan)
- Six other branches of AHF (Bosnia, Indonesia, Kenya, Pakistan, Somalia, and Tanzania) (March 2002 and January 2004)

The United States is committed to rooting out terrorism by halting those who provide financial support for nefarious acts. With this designation, 374 individuals and entities will have been designated under President Bush's Executive Order aimed at freezing the assets of terrorists and their supporters. Nearly \$200 million in terrorist-related assets has been frozen or seized as a result of efforts by the United States and its allies.



FROM THE OFFICE OF PUBLIC AFFAIRS

May 6, 2004
js-1527

Treasury Designates Bosnian Charities Funneling Dollars to Al Qaida

In another step today to halt the flow of terrorist dollars that have tainted the charitable community, the U.S. Department of the Treasury Department designated three Bosnian charities under Executive Order 13224. The U.S. is asking the United Nations' 1267 Sanctions Committee to add these entities to its consolidated list of terrorists tied to al-Qaida, Usama bin Laden and the Taliban.

"Today's action continues the international drumbeat to expose the terrorist nodes used to support the infrastructure of hate," said Juan Zarate, the Treasury Department's Deputy Assistant Secretary for the Executive Office of Terrorist Financing and Financial Crimes. "Unfortunately, we have seen the vulnerabilities of charities in countries like Bosnia, where there is not only a need for charitable giving but also a susceptibility that such institutions will be co-opted by terrorist sympathizers."

The United States previously designated Bosnian-operated charities that were funneling dollars for terrorist-related activities, including the Benevolence International Foundation (BIF), the Global Relief Foundation (GRF) and the Bosnian branch of Al-Haramain Foundation (AHF), including its director and Vazir, an alias for the organization.

Today's action by the Treasury Department designates the following entities:

Al Furqan

Information shows this non-governmental organization had close ties and shared an office with GRF and was chiefly sponsored by the Bosnian branch of AHF. Individuals working for Al Furqan have been involved in multiple instances of suspicious activity, including surveillance of the U.S. Embassy and U.N. buildings in Sarajevo. Although Al Furqan ostensibly ceased operations in 2002, two successor organizations, Sirat and Istikamet, continue to act on behalf of Al Furqan in Bosnia.

A.K.A.s

Dzemilijati Furkan; Dzem'ijjetul Furqan; Association for Citizens Rights and Resistance to Lies; Dzemijetul Furkan; Association of Citizens for the Support of Truth and Suppression of Lies; Sirat; Association for Education, Culture and Building Society-Sirat; Association for Education, Cultural and to Create Society-Sirat; Istikamet; In Siratel.

Addresses

Put Mladih Muslimana 30a
71 000 Sarajevo, BiH

ul. Strossmajerova 72
Zenica, BiH

Muhameda Hadzijahica 42
Sarajevo, BiH

Al-Haramain & Al Masjed Al-Aqsa Charity Foundation

According to information, the Bosnian branch of this entity has significant financial ties to al Qaida financier Wa'el Hamza Julaidan who was designated by the Treasury Department on September 6, 2002. Al-Haramain & Al Masjid Al-Aqsa Charity Foundation also provided financial support to Al Furqan.

A.K.A.s

Al Haramain Al Masjid Al Aqsa; Al Haramayn Al Masjid Al Aqsa; Al-Haramayn and Al Masjid Al Aqsa Charitable Foundation

Address

Hasiba Brankovica No. 2A
Sarajevo, BiH

Taibah International – Bosnia Branch

Information shows this entity has significant ties to GRF, which initially operated in Bosnia under the auspices of Taibah. A former employee of Taibah International was a member of Ayadi Chafiq Bin Muhammad's network, who was designated by the Treasury Department on October 12, 2001.

A.K.A.s

Taibah International Aid Agency; Taibah International Aid Association; Al Taibah, Intl.; Taibah International Aide Association

Addresses

Avde Smajlovic 6
Sarajevo, BiH

26 Tabhanska Street
Visoko, BiH

No. 3 Velika Cilna Ulica
Visoko, BiH

No. 26 Tahbanksa Ulica
Sarajevo, BiH

Executive Order 13224 provides means to disrupt the support network for terrorism. Under this order, the United States government may block the assets of individuals and entities who provide support – financial or otherwise – to designated terrorists and terrorist organizations, who are owned or controlled by designated terrorists, who act for or on the behalf of designated terrorists or who are otherwise associated with designated terrorists. Blocking actions are critical to combating the financing of terrorism.

When a blocking action is put into place, any assets that exist in the U.S. financial system at the time of the orders are frozen, and U.S. persons are prohibited from transacting or dealing with individuals and entities who are the subject of the blocking action. Blocking actions serve additional functions as well, including serving as a deterrent for non-designated parties who might otherwise be willing to finance terrorist activity; exposing terrorist financing "money trails" that may generate leads to previously unknown terrorist cells and financiers; disrupting terrorist financing networks by encouraging designated terrorist supporters to disassociate themselves from terrorist activity and renounce their affiliation with terrorist groups; terminating terrorist cash flows by shutting down the pipelines used to move terrorist-related assets; forcing terrorists to use alternative, more costly and higher-risk means of financing their activities; and engendering international cooperation and compliance with obligations under U.N. Security Council Resolutions.

To date, the U.S. and our international partners have designated 368 individuals and organizations as terrorists and terrorist supporters and have frozen approximately \$139 million and seized more than \$60 million in terrorist-related assets.

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FROM THE OFFICE OF PUBLIC AFFAIRS

February 19, 2004
JS-1183

Treasury Announces Actions Against AL-Haramain

The United States Attorney's Office for the District of Oregon announced a federal search warrant was executed yesterday against property purchased on behalf of the Al Haramain Islamic Foundation, Inc. in Ashland, Oregon.

The search was led by agents of the Internal Revenue Service-CI as part of a joint Federal Bureau of Investigation (FBI) and Department of Homeland Security (DHS)/Immigration and Customs Enforcement investigation.

This search was conducted pursuant to a criminal investigation into possible violations of the Internal Revenue Code, the Money Laundering Control Act and the Bank Secrecy Act. The suspected crimes relate to possible violations of the currency reporting and tax return laws by two officers of the Ashland Oregon office of Al Haramain Foundation, Inc.

In a separate administrative action today, the Treasury's Office of Foreign Assets Control (OFAC) has blocked pending investigation accounts of the Al Haramain Foundation, Inc. to ensure the preservation of its assets pending further OFAC investigation.

The parent of the Oregon Al Haramain Islamic Foundation is headquartered in Saudi Arabia, and is one of that country's largest Non Governmental Organizations, with worldwide reach.

In March 2002, the United States Treasury and the Kingdom of Saudi Arabia jointly designated the Bosnian and Somalia Branches of Al Haramain as supporters of terrorism. In December 2003, the reconstituted branch of Al Haramain in Bosnia, Vazir, was also designated by both governments as a supporter of terrorism. In January 2004, the Kingdom of Saudi Arabia and the U.S. Department of the Treasury jointly designated four additional Al Haramain branches – Indonesia, Tanzania, Kenya and Pakistan – as being supporters of terrorism. The United Nations has adopted these Al Haramain designations and imposed an asset freeze, travel ban and arms embargo pursuant to United Nations Security Council Resolutions 1267/1390/1455.



FROM THE OFFICE OF PUBLIC AFFAIRS

January 22, 2004
JS-1108

Treasury Announces Joint Action with Saudi Arabia Against Four Branches of Al-Haramain In The Fight Against Terrorist Financing

Once again, the United States and Saudi Arabian governments are joining together to ask the United Nations' 1267 Sanctions Committee to add four branches of the Al-Haramain Islamic Foundation to its consolidated list of terrorists tied to al-Qaida, Usama bin Laden and the Taliban. Today's designation of the Al-Haramain branches in Indonesia, Kenya, Tanzania, and Pakistan under Executive Order 13224 is the latest in a series of public joint actions with our ally in the war on terrorist financing. These branches have provided financial, material and logistical support to the al-Qaida network and other terrorist organizations.

"The United States and Saudi Arabia share a deep commitment to fighting the spread of terrorism in all its forms. The branches of al-Haramain that we have singled out today not only assist in the pursuit of death and destruction; they deceive countless people around the world who believe that they have helped spread good will and good works. By working together to take action today and calling on the United Nations to do the same, our two countries send a clear message: those who hide intentions of terror behind a veil of benevolence and charity will not escape justice from the international community," said Secretary John W. Snow.

The Saudi government in 2003 ordered Al-Haramain to close all of its overseas branches. Al-Haramain stated it closed branches in Indonesia, Kenya, Tanzania, and Pakistan, but continued monitoring by the United States and Saudi Arabia indicates that these offices and or former officials associated with these branches are either continuing to operate or have other plans to avoid these measures. The actions by the Bosnia-Herzegovina branch, designated in March 2002, to reconstitute itself and continue operations under the name, "Vazir," is one example. Similarly, the Indonesian branch of Al-Haramain has attempted to operate under an aka.

The four branches being designated today are only the most recent of Al-Haramain's overseas branches to be investigated, and the U.S. remains committed to ensuring that the branches of this charity can not be used to support terrorism. The Saudi Arabian government has informed the host countries that these entities are not Saudi entities and should be treated appropriately under local law. Designation at the UN triggers international obligations on all member countries, requiring them to take steps to ensure that these offices can not continue to use their remaining infrastructure or finances to fund or otherwise support terrorism. It is also a critical action to publicly identify these supporters of terrorism, providing warning to other entities that they are prohibited from doing business with them.

The Treasury Department is committed to stopping terrorism by taking action against those who fund it. With this designation, 350 individuals and entities will have been designated under President Bush's Executive Order aimed at freezing the assets of terrorists and their supporters – Executive Order 13224. At least \$139 million in assets has been kept out of the control of terrorists as a result of efforts by the United States and its allies.

Blocking actions are critical to combating the financing of terrorism. When an action is put into place, any assets that exist in the formal financial system at the time the orders are frozen. Blocking actions serve additional functions as well, e.g., they act as a deterrence for non-designated parties who might otherwise be willing to finance terrorist activity; expose terrorist financing "money trails" that may generate leads to previously unknown terrorist cells and financiers; disrupt terrorist financing networks by encouraging designated terrorist supporters to disassociate

themselves from terrorist activity and renounce their affiliation with terrorist groups; terminate terrorist cash flows by shutting down the pipelines used to move terrorist-related assets; force terrorist to use alternative, more costly, and higher-risk means of financing their activities; and engender international cooperation and compliance with obligations under UN Security Council Resolutions.

The United States works to preserve the sanctity of charitable giving and the value of humanitarian aid provided by charities of all faiths. In this context, we are working to identify those charities that are abusing the trust of their donors. In addition to today's designation's over 10 charities have been designated by the United States because of their support to terrorism, including

- The Holy Land Foundation for Relief and Development (based in U.S.) (December 2001)
- Two Al-Haramain Branches (Bosnia-Herzegovina/Somalia) (March 2002)
- Global Relief Foundation (U.S.) (October 2002)
- Benevolence International Foundation (U.S.) (January 2003)
- Al Aqsa Foundation (Germany/Europe) (May 2003)
- Comite de Bienfaisance et de Secours aux Palestiniens (France) (August 2003)
- Association de Secours Palestinien (Switzerland) August 2003)
- Interpal (United Kingdom) (August 2003)
- Palestiniens Association in Austria (Austria) (August 2003)
- Sanibil Association for Relief and Development (Lebanon)
- Al Akhtar Trust (Pakistan) (October 2003) (Al Akhtar was assuming a role that had been held by the Al Rasheed Trust, another Pakistan-based charity that was designated as part of the annex to E.O. 13224).

Like the United States, the Saudis have been victims of al-Qaida. They are an important partner in the war on terrorist financing, and have taken important and welcome steps to fight terrorist financing.

- The Saudis worked with the United States to establish a U.S.-Saudi task force in
- Riyadh focused on combating terrorist financing and establishing initiatives to better regulate charities.
- On March 11, 2002, the United States and Saudi Arabia enacted the first joint designation by blocking the funds of the Somalia and Bosnia-Herzegovina branches of Al-Haramain because these branches were diverting charitable funds to terrorism. When it became apparent that Al-Haramain was continuing to operate under a new name in Bosnia-Herzegovina, the United States and Saudi Arabia joined in asking the UN to add the a/k/a, "Vazir," to the consolidated list.
- In August of 2002, Saudi Arabia joined the U.S. in the designation of Wa'el Julaidan, a key terrorist financier who had known associations with Usama bin Laden and headed several non-governmental organizations that provided financial and logistical support to al-Qaida.
- Saudi Arabia also supported the addition of the Jeddah-based terrorist financier, Yasin Al-Qadi, to the UN's consolidated list in October 2001.

Basis for Designation

Information in the possession of the U.S. government indicates these offices have provided financial, material and logistical support to Usama bin Laden's (UBL's) al-Qaida network and other terrorist organizations. These branches are subject to designation under Executive Order 13224 pursuant to paragraphs (d) (i) and (d) (ii) based on a determination that they assist in, sponsor or provide financial, material, or technological support for, or financial or other services to or in support of, or are otherwise associated with, persons listed as subject to E.O. 13224. Because this support is being provided to Usama bin Laden, al-Qaida, and/or the Taliban, these branches also meet the standard to be included on the United Nations' 1267 Sanctions Committee's consolidated list. In addition to requiring UN Member States to freeze assets without delay, inclusion on this list triggers obligations to implement other sanctions, such as a travel ban and arms embargo.

AL-HARAMAIN FOUNDATION (INDONESIA)

- In 2002, money purportedly donated by AHF for humanitarian purposes to non-profit organizations in Indonesia was possibly diverted for weapons

procurement, with the full knowledge of AHF in Indonesia.

- Using a variety of means, AHF has provided financial support to al-Qaida operatives in Indonesia and to Jemaah Islamiyah (JI). According to a senior al-Qaida official apprehended in Southeast Asia, Omar al-Faruq, AHF was one of the primary sources of funding for al-Qaida network activities in the region. The U.S. has designated JI, and the 1267 Committee has included it on its list, because of its ties to al-Qaida. JI has committed a series of terrorist attacks, including the bombing of a nightclub in Bali on October 12, 2002 that killed 202 and wounded over 300.

AL-HARAMAYN FOUNDATION (KENYA & TANZANIA)

- Information available to the US shows that AHF offices in Kenya and Tanzania provide support, or act for or on behalf of AIA and Al-Qaida. AIAI shares ideological, financial and training links with al-Qaida and financial links with several NGOs and companies, including AHF, which is used to transfer funds. AIAI also has invested in the "legitimate" business activities of AHF.
- As early as 1997, U.S. and other friendly authorities were informed that the Kenyan branch of AHF was involved in plotting terrorist attacks against Americans. As a result, a number of individuals connected to AHF in Kenya were arrested and later deported by Kenyan authorities.
- In August 1997, an AHF employee indicated that the planned attack against the U.S. Embassy in Nairobi would be a suicide bombing carried out by crashing a vehicle into the gate at the Embassy. A wealthy AHF official outside East Africa agreed to provide the necessary funds. Information available to the U.S. shows that AHF was used as a cover for another organization whose priorities include dislike for the U.S. Government's alleged anti-Muslim stance and purposed U.S. support for Christian movements fighting Islamic countries.
- Also in 1997, AHF senior activities in Nairobi decided to alter their (then) previous plans to bomb the U.S. Embassy in Nairobi and instead sought to attempt the assassination of U.S. citizens. During this time period, an AHF official indicated he had obtained five hand grenades and seven "bazookas" from a source in Somalia. According to information available to the U.S., these weapons were to be used in a possible assassination attempt against a U.S. official.
- Information available to the U.S. shows that a former Tanzanian AHF Director was believed to be associated with UBL and was responsible for making preparations for the advance party that planned the August 7, 1998, bombings of the U.S. Embassies in Dar Es Salaam, Tanzania, and Nairobi, Kenya. As a result of these attacks, 224 people were killed.
- Shortly before the dual-Embassy bombing attacks in Kenya and Tanzania, a former AHF official in Tanzania met with another conspirator to the attacks and cautioned the individual against disclosing knowledge of preparations for the attacks. Around the same time, four individuals led by an AHF official were arrested in Europe. At that time, they admitted maintaining close ties with EIJ and Gamma Islamiyah.
- Wadih el-Hage, a leader of the East African al-Qaida cell and personal secretary to UBL, visited the Kenya offices of AHF before the 1998 dual-embassy attacks. Searches conducted by authorities revealed that el-Hage possessed contact information for a senior AHF official who was head of AHF's Africa Committee, the overseeing authority for AHF's offices in Kenya and Tanzania.
- In early 2003, individuals affiliated with AHF in Tanzania discussed the status of plans for an attack against several hotels in Zanzibar. The scheduled attacks did not take place due to increased security by local authorities, but planning for the attacks remained active.
- Information made available to the U.S. shows that AHF offices in Kenya

and Tanzania provide support, or act for or on behalf of al-Qaida and AIM.

AL-HARAMAIN FOUNDATION (PAKISTAN)

- Sometime in 2000, an AHF representative in Karachi, Pakistan met with Zelinkhan Yandarbiev. The U.S. has designated Yandarbiev, and the 1267 Committee has included him on its list because of his connections to al-Qaida. The AHF representative and Yandarbiev reportedly resolved the issue of delivery to Chechnya of Zenit missiles, Sting anti-aircraft missiles, and hand-held anti-tank weapons.
- Before the removal of the Taliban from power in Afghanistan, the AHF in Pakistan supported the Taliban and other groups. It was linked to the UBL-financed and designated terrorist organization, Makhtab al-Khidemat (MK). In one instance, some time in 2000, the MK director instructed funds to be deposited in AHF accounts in Pakistan and from there transferred to other accounts.
- At least two former AHF employees who worked in Pakistan are suspected of having al-Qaida ties. One AHF employee in Pakistan is detained at Guantanamo Bay on suspicion of financing al-Qaida operations. Another former AHF employee in Islamabad was identified as an alleged al-Qaida member who reportedly planned to carry out several devastating terrorist operations in the United States. In January 2001, extremists with ties to individuals associated with a fugitive UBL lieutenant were indirectly involved with a Pakistani branch of the AHF.
- As of late 2002, a senior member of AHF in Pakistan, who has also been identified as a "bin Laden facilitator," reportedly operated a human smuggling ring to facilitate travel of al-Qaida members and their families out of Afghanistan to various other countries.
- AHF in Pakistan also supports the designated terrorist organization, Lashkar E-Taibah (LET).

Identifier Information

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FROM THE OFFICE OF PUBLIC AFFAIRS

December 22, 2003
js-1063

Treasury Urges UN to Designate Terrorist Organizations Avoiding International Sanctions

Today, the United States and Saudi Arabian governments are asking the UN 1267 Sanctions Committee to list Vazir, a non-governmental organization located in Travnik, Bosnia, as an aka for Al Haramain-Bosnia. In addition, we are asking the Committee to add Safet Durguti, the representative of this organization, to their list of persons and entities tied to al-Qaida, subject to international sanctions under UNSCRs 1256, 1333, and 1390.

In addition, the United States is designating Hochburg AG as an aka for BA Taqwa. BA Taqwa was designated by the U.S. and added to the UN 1267 Sanctions Committee in 2002 because Youssef Nada, a Specially Designated Global Terrorist, had a controlling interest in BA Taqwa. Nada maintains an ongoing interest in the liquidation of Hochburg.

“These designations signal that we continue to track terrorist targets and designated persons who attempt to evade the international sanctions regime,” stated Deputy Assistant Secretary for Terrorist Financing Juan Zarate. “It further indicates that international cooperation on all fronts is a necessary and ongoing component of the long-term campaign against terrorist financing.”

BACKGROUND INFORMATION

Vazir/Durguti

On March 13, 2002, the UN 1267 Sanctions Committee listed the Bosnian branch of Al Haramain, a Saudi-based charity, as an organization with ties to al-Qaida, subject to sanctions under UNSCRs 1267, 1333, and 1390. This branch office was submitted to the UN 1267 Sanctions Committee jointly by the United States and the government of Saudi Arabia. (The U.S. Government designated Al-Haramain-Sarajevo, Bosnia for asset-freeze pursuant to U.S. Executive Order 13224 on March 11, 2002.)

The U.S. Government has information establishing that Al Haramain resumed operation in Travnik, Bosnia under a new name, Vazir. After the Bosnia branch of Al Haramain was designated in March 2002, Al Haramain officials closed its Bosnian operations. Officials in Bosnia, persuaded senior Al Haramain officials to reopen the organization under a different name in Travnik, Bosnia.

The new non-governmental organization, Vazir, was founded in May 2003, and its leadership and mandates have been established since that time. Vazir established its headquarters in a business space formerly used by Al Haramain. The Ministry of Justice and Administration for the Central Bosnian canton registered Vazir on June 11, 2003, as an association for sport, culture, and education. The office opened under the name Vazir in early August 2003.

Safet Durguti was appointed as the representative of Vazir. The Al Haramain and Vazir legal, banking and registration documentation all have

Durguti's involvement in common. Durguti re-opened the Vazir office in the same location as the former office of Al Haramain.

Hochburg

Hochburg, AG ("Hochburg"), located in Vaduz, Liechtenstein, is the successor organization to BA Taqwa for Commerce and Real Estate Company Limited ("BA Taqwa"), an entity previously named a Specially Designated Global Terrorist ("SDGT") on August 29, 2002 by the U.S. Department of the Treasury. The UN 1267 Sanctions Committee added BA Taqwa to its consolidated asset-freeze list on September 3, 2002.

The official corporate registry of Liechtenstein indicates that BA Taqwa (registration number 245/15) was renamed Hochburg AG on January 28, 2002.

Youssef Nada, an SDGT whose controlling interest in BA Taqwa resulted in its initial designation, maintains an ongoing interest in the liquidation of Hochburg. Nada was one of two liquidators for the company as of June 2, 2002. Nada was designated an SDGT on November 6, 2001. [Note: Liechtenstein has since removed Nada from his position as liquidator of Hochburg.]

Hochburg and BA Taqwa share the same business registration number. Publicly available commercial reporting substantiates Hochburg's status as BA Taqwa's successor. This reporting lists Nada as one of the liquidators of Hochburg and provides a business registration number identical to that of BA Taqwa (245/15).

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